United Nations A/C.5/64/SR.7

General Assembly
Sixty-fourth session

Official Records

Distr.: General
11 November 2009

Original: English

Fifth Committee

Summary record of the 7th meeting
Held at Headquarters, New York, on Tuesday, 20 October 2009, at 10 a.m.

Chairman: Mr. Maurer ..... (Switzerland)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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The meeting was called to order at 10.05 a.m.

Agenda item 139: United Nations common system
(A/64/7/Add.2, A/64/30 and Corr.2 and A/64/358)

1. **Mr. Stöckl** (Vice-Chairman of the International Civil Service Commission), introducing the report of the International Civil Service Commission (ICSC) for 2009 (A/64/30), said that ICSC had reviewed separation payments, including termination indemnity, repatriation grant and death grant, with a view to streamlining practices in the common system.

2. It had decided to recommend that the General Assembly should introduce, in those organizations that had implemented the new contractual framework, end-of-service severance pay for fixed-term staff separating from the organization upon expiration of contract after 10 or more years of continuous service. As well as addressing the inequity in the current treatment of staff upon separation, such a measure would facilitate both a prospective staff member's acceptance of a fixed-term contract and the non-extension of such a contract by the organization, thereby allowing organizations more flexibility in establishing the appropriate mix of continuing and fixed-term appointments. It would also reflect the realities of the international civil service where, for budgetary or other reasons, governing bodies could impose limitations on the use of continuing appointments, not necessarily related to the continuity of functions performed by the affected staff. Furthermore, it would correspond to outside employment practices whereby unemployment benefits were available, including in the comparator civil service; most common system staff were not covered by such benefits offered by their own national governments. Lastly, since the end-of-service payment was being proposed as an integral part of the new contractual framework, it would encourage the introduction of that framework across the common system. The estimated cost of the proposed measure was $4.6 million per annum system-wide.

3. With regard to repatriation and death grant eligibility, the Commission had recommended that the General Assembly should reiterate its call to the governing bodies of the common system organizations to align their provisions with those applicable in the United Nations.

4. ICSC had given initial consideration to the possibility of changing the mandatory age of separation, as requested by the General Assembly on the basis of the recommendation contained in the Advisory Committee's report on human resources management (A/63/526). Having noted that the Assembly's request involved a much wider scope of study, incorporating a number of human resources policy and pension aspects, it had instructed its secretariat, in cooperation with the organizations and the United Nations Joint Staff Pension Fund, to prepare a comprehensive report with recommendations, taking account of the various human resources and pension implications. Since the Pension Fund had already embarked on a review of the pension system, ICSC had decided to revert to the issue at its seventy-second session.

5. The review of salary scales for staff in the General Service and related categories at United Nations Headquarters, carried out in July 2009, had given rise to a recommendation that those scales should remain unchanged, based on a 1.1 per cent contraction in the relevant consumer price index over the 12-month period from July 2008. General Service salaries in Geneva and Madrid, reviewed in March and April 2009 respectively, were also unchanged. Following the review in August 2009 of the post adjustment classification for New York, which had led to a post adjustment index lower than the prevailing pay index for staff in the Professional and higher categories, salaries had been maintained at current levels for the following 12-month period, with no change in the pensionable remuneration scale for those staff.

6. Following extensive work by its technical working group, ICSC was able to present to the Committee a global job evaluation standard for General Service and related categories that represented an important step forward in terms of facilitating the harmonization of practices across the common system and should be acceptable to all users and stakeholders. The 2009 report (A/64/30) described its structure and, although a few technical matters still needed to be fine-tuned, ICSC planned to promulgate the new standard at its next session in early 2010, on the understanding that by then all the necessary features would be present for smooth implementation.

7. The Commission recommended that the base/floor salary scale should be adjusted by 3.04 per cent through the standard consolidation procedure of increasing base salary while commensurately reducing

post adjustment levels, with effect from 1 January 2010. The financial implications of the adjustment, relating to separation payments, were estimated at $1.4 million per annum system-wide. Based on the post adjustment multiplier for New York effective as from 1 August 2008, the net remuneration margin between United Nations and United States officials in comparable positions was 113.8 and the average margin level for the previous five-year period of 2005-2009 was 113.6. Although the five-year average was below the desirable midpoint of 115, that did not give the Commission immediate cause for concern, bearing in mind the current level of the margin and its dynamics in recent years.

8. In view of the General Assembly's request, in its resolution 59/268, that the Commission should monitor progress towards the development of a senior management network, he informed the Committee that the United Nations System Chief Executives Board for Coordination (CEB) had decided to discontinue further work on that project. With regard to the monitoring of gender balance within the common system, the Commission had decided not to recommend the establishment of an inter-agency roster of qualified women candidates as a feasible way of achieving gender parity, but had recommended various other strategies to be explored by the organizations.

9. ICSC had approved the agenda for the thirty-second session of the Advisory Committee on Post Adjustment Questions, which was expected to submit, at the Commission's next session, its final recommendations on methodological issues and practical arrangements for the upcoming round of surveys. The operational rules underlying the post adjustment system might also be modified since some organizations had expressed concern at relatively low increases in the net take-home pay of Professional staff at some European duty stations, particularly those in the euro zone. The ICSC secretariat had put in place a new system providing detailed reports of annual reviews of post adjustment classifications and was fully engaged in preparations for the 2010 round of cost-of-living surveys.

10. The report contained the Commission's proposed programme of work for its coming sessions. Inter alia, ICSC would give priority to improving the coherency of common system practices, continue to collaborate with the Human Resources Network of CEB on the harmonization of staff rules, ensure that the standards of conduct of the international civil service and the human resources management framework continued to meet the needs of the common system organizations, and work with organizations on updating the performance management framework.

11. **Ms. Van Buerle** (Director, Programme Planning and Budget Division), introducing the statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly on the administrative and financial implications of the decisions and recommendations contained in the report of ICSC for 2009 (A/64/358), said that the financial implications for the proposed programme budget of the United Nations and the proposed budgets of the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia for the biennium 2010-2011 of the recommendation to introduce end-of-service severance pay for fixed-term staff separating from organizations upon expiration of contract after 10 or more years of continuous service had been estimated at $2,100,000, $214,200 and $30,700 respectively, while the corresponding financial implications of the recommendation to increase by 3.04 per cent the base/floor salary scale for staff in the Professional and higher categories, as from 1 January 2010, had been estimated at $493,600, $66,500 and $81,900 respectively.

12. If the General Assembly concurred with the recommendations of ICSC contained in its 2009 report (A/64/30), the requirements would be reflected in the recosting of the corresponding proposed budget estimates for the biennium 2010-2011 prior to determination of the appropriations to be adopted by the Assembly in December 2009.

13. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's related report (A/64/7/Add.2), said that the Advisory Committee had been informed that the estimated system-wide cost of the ICSC recommendation to introduce, in those organizations that had implemented the new contractual framework, end-of-service severance pay for fixed-term staff separating from the organization upon expiration of contract after 10 or more years of continuous service had been based on the actual number of eligible separations in 2006-2007, on the assumption that the number of separations would be the same in any biennium. It had also been

assumed that all United Nations organizations had adopted the contractual framework, whereas, in reality, that framework was likely to be adopted at different times by different organizations. With regard to the Commission's conclusion that the costs incurred in relation to end-of-service severance pay would be less than those incurred for buy-out packages, the Advisory Committee remained unconvinced as to its relevance as an argument in support of the proposal.

14. The estimated financial implications of the recommendation for the proposed programme budget of the United Nations and the proposed budgets of the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia for the biennium 2010-2011, as contained in the Secretary-General's statement (A/64/358), were based on past trends and might therefore be subject to change. In particular, although the conversion of staff on assignments of limited duration to fixed-term contracts under the new contractual framework would not affect the estimate for 2010-2011, it clearly might have an impact in future bienniums.

15. The Advisory Committee noted the financial implications of the Commission's recommendation to adjust the base/floor salary scale for the Professional and higher categories by 3.04 per cent as from 1 January 2010, as set out in the statement submitted by the Secretary-General (A/64/358), and further noted that the increase would be implemented through the standard method.

16. The Advisory Committee had no objection to the Secretary-General's approach with respect to separation payments for staff in the Professional and higher categories since those requirements would be reflected in the recosting of the proposed budget estimates for the biennium 2010-2011.

17. **The Chairman**, in accordance with General Assembly resolution 35/213, invited a representative of the Federation of International Civil Servants' Associations (FICSA) to make a statement. As agreed by the Bureau, he also invited a representative of the Coordinating Committee for International Staff Unions and Associations of the United Nations System (CCISUA) and a representative of the United Nations International Civil Servants Federation (UNISERV) to make statements.

18. **Mr. Mobio** (Federation of International Civil Servants' Associations) welcomed the inclusion of the staff's views in the 2009 report of ICSC, in accordance with rule 22.2 of its rules of procedure. FICSA supported the proposal to extend the mandatory age of separation to 62 for all staff, without prejudice to the acquired right of eligible staff to retire at 60, considering that the decision to retire or to continue service should not be left to the discretionary authority of the executive head but should rest solely with the staff member concerned. It would call for a further review to increase the mandatory age of separation to 65 for all staff following the completion of the actuarial study by the Pension Fund in 2010 and a decision by the Pension Board in relation to the retirement age.

19. Based on the comments of its membership, FICSA had identified a number of issues, including the protection of whistle-blowers from retaliation, the definition of abuse of authority, and privacy laws that pointed to the need for a review of the standards of conduct for the international civil service. It therefore supported the Commission's decision to undertake an initial review to ensure that those standards continued to meet the needs of the organizations and staff.

20. While it welcomed the Commission's decision to invite the governing bodies of the common system organizations to harmonize their termination indemnity schedules, FICSA considered that such indemnities should be based solely on length of service and should not vary according to contract type. It also welcomed the recommendation to introduce end-of-service severance pay for fixed-term staff separating from common system organizations upon expiration of contract; however, it requested the Committee to consider reducing the eligibility requirement to five years. Staff at international tribunals and other common system organizations with mandates that were limited in time would thus be encouraged to remain in post until the end of their fixed-term contracts, which would address the problem of serious understaffing towards the end of an organization's mandate. FICSA agreed with the Commission's decisions not to rename the repatriation grant and to call on the governing bodies to align their provisions regarding death grant eligibility with those applicable in the United Nations.

21. The Federation noted the Commission's recommendation that the base/floor salary scale for the Professional and higher categories should be adjusted by 3.04 per cent. Noting further that the five-year average net remuneration margin level was below the

desirable midpoint of 115 and that the margin at the P-3 to P-5 levels averaged only 113, compared with 117 for staff at the D-1 and D-2 levels, it requested a one-time adjustment to restore the margin to 115 for grades P-3 to P-5.

22. FICSA supported the Commission's decision not to recommend the establishment of an inter-agency roster of qualified women candidates and agreed with its other decisions on the issue of achieving gender balance. With regard to the report of the Advisory Committee on Post Adjustment Questions, it had commented on the agenda for the upcoming session, as well as on the list of items and specifications to be used in the next round of place-to-place surveys, in which it would be encouraging all staff to participate. It was disappointing that the Commission did not see any need for further studies on the predictability and stability of remuneration, particularly in field duty stations.

23. The new job evaluation system for the General Service and related categories should not be promulgated or implemented until all supporting elements, including those detailed in the Commission's report (A/64/30, para. 112), were complete. The implementation programme should also include a training component. Lastly, FICSA welcomed the recommendations of the Steering Committee on Staff Safety and Security of the High-level Committee on Management, especially its recommendation to extend the security-related entitlements related to minimum operating residential security standards to national personnel subject to a security risk assessment by the Department of Safety and Security.

24. **Mr. Land-Kazlauskas** (Coordinating Committee for International Staff Unions and Associations of the United Nations System) said that the General Assembly must acknowledge the nature of the threats facing United Nations staff: the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Children's Fund (UNICEF) and the World Food Programme had already lost nine staff members in 2009. The Member States must ensure that the staff who carried out the work of the Organization were afforded the protection required by the Charter.

25. With regard to end-of-service severance pay, he recalled that most Member States had national legislation requiring some form of severance payment for staff upon termination of a continuing contract and prohibiting the employment of staff for long periods under a series of fixed-term contracts. For example, although in the comparator United States federal civil service, no termination indemnity, severance pay or end-of-service bonuses were available for staff who served on term appointments, 9 out of 10 employees had permanent appointments. In contrast, about 80 per cent of staff in the United Nations system were on fixed-term contracts. CCISUA therefore welcomed the recommendation of ICSC to introduce end-of-service severance pay for fixed-term staff in the United Nations; however, it believed that such payments should be granted upon expiration of contract after 5 rather than 10 years of continuing service. With regard to timing and financial implications, it was important to remember that the proposed measure had been under discussion for over three decades, during which time several common system organizations had made such payments without incurring financial disaster. Furthermore, the measure would only entail costs to the Organization when it was used. In the opinion of CCISUA, the alternative would have much greater financial implications, since the introduction of end-of-service severance pay for fixed-term staff was not merely a staff issue but related to the very continuity of the Organization's mission. The International Tribunal for the Former Yugoslavia, for example, which was soon to commence a major downsizing initiative, was experiencing an increase in attrition that was affecting its ability to perform its mandate. The introduction of end-of-service severance pay would reduce such attrition and should therefore be seen as an essential tool for managing human resources effectively.

26. CCISUA supported the proposal to extend the mandatory age of separation to 62, without prejudice to the acquired rights of eligible staff to retire with full benefits at 60. Consideration should also be given to a further increase in the retirement age, following completion of the actuarial study by the Pension Fund. The decision to retire or continue service beyond the normal retirement age should rest solely with the staff member concerned.

27. Women remained underrepresented at senior levels of the Organization, and overrepresented in the junior ranks. It would be much easier to achieve gender parity and diversity targets when an effort was made to identify and develop internal talent, including women in the General Service and National Professional categories. Attention should also be given to the issues

facing women of childbearing and child-rearing age who were, according to various studies, more likely to leave the Organization because of the lack of support structures. A roster was not likely to remove the fundamental barriers to achieving gender balance.

28. Every effort should be made to bring the United Nations/United States net remuneration margin back to the desirable midpoint of 115 for all staff. Lastly, the cautious approach adopted by ICSC in relation to the job evaluation standards for the General Service and related categories was to be welcomed, since it was essential that all elements of the new system were finalized before the standards were approved and promulgated.

29. **Mr. Jumet** (United Nations International Civil Servants Federation), referring to the ICSC recommendation on the introduction of end-of-service severance pay, said that the eligibility requirement of at least 10 years of continuous service did not support the harmonization of conditions of service but, rather, created two distinct payment schedules. The stipulation that no severance pay would be made to a staff member transferring to another common system organization upon the expiration of a contract also discouraged inter-agency mobility. Furthermore, once the new contractual framework had been fully implemented, there would be few staff left under fixed-term contracts with 10 years of continuous service. UNISERV therefore proposed that the termination indemnity for fixed-term appointments, as described in annex II to the ICSC report (A/64/30), should be applied to all involuntary separations of fixed-term staff throughout the common system after five years of continuous service. Staff members, including local staff in field missions, who had served for at least five years had proved a certain commitment to the Organization and expected a similar commitment from their employer in return, particularly since they were not eligible for unemployment benefits in their home country. It should be recalled that long-serving staff members often evolved from specialists to multi-skilled individuals, which made it more difficult for them to return to employment in their national public or private sector upon separation from the Organization.

30. It was disappointing that a decision on the mandatory age of separation had been deferred. Since life expectancy had greatly improved over the past five decades and the average age of entry on duty had risen, it was ironic that staff members could be required to retire at the age of 60, particularly when the average age of decision makers at the Under-Secretary-General and Assistant Secretary-General levels was much higher and the effectiveness of a staff member was in part determined by experience acquired in service. Attempts to rejuvenate the Organization by bringing in younger staff at senior levels might also create retention problems, owing to a lack of opportunities for further promotion. The current mandatory age of separation was outdated and at variance not only with the policies of many Member States, but also with article 12 of the Political Declaration adopted at the Second World Assembly on Ageing in 2002. The age of separation should therefore be harmonized at 62 for all staff as of 1 January 2010, without prejudice to the acquired rights of eligible staff desiring to retire at 60. UNISERV would also conditionally welcome a subsequent optional increase in the retirement age to 65 or more.

31. While huge progress had been made since the inception of the project to develop a global job evaluation system for General Service and related categories, the grade level descriptors remained too broad and should not be used to replace the technical specifications determined by a classification review process. In the view of UNISERV, while they could be used for initial budgetary determinations or organizational design, they should not be associated with the master standard or portrayed as a valid alternative classification tool. Bearing in mind the time and work invested in the development of the Professional master standard and the subsequent lessons learned, consideration should be given to conducting a pilot implementation of the General Service master standard only, subject to completion of the actions described in paragraph 113 (d) of the Commission's report (A/64/30) and to the postponement of a decision on the adoption and promulgation of the master standard until the pilot implementation had been evaluated.

32. Although there might be some merit in establishing an inter-agency roster of qualified women, it was important to consider why highly qualified staff, especially women, were not attracted to the United Nations common system and why women within the system still faced obstacles in their progression to senior levels. Exit interviews and a review of the demographics, career trajectory and work/life profiles of staff already employed in the common system could

be used to devise long-term measures aimed at attracting and retaining competent staff regardless of gender.

33. UNISERV welcomed the upcoming review of the standards of conduct for the international civil service. It trusted that the current proposals to revise the Staff Rules and Regulations would include measures to harmonize the proposed code of ethics with the standards of conduct, since that was necessary to avoid ambiguity, redundancy and confusion. Noting with concern that the five-year average of the United Nations/United States net remuneration margin was consistently below 115 and that the margin at the P-3 to P-5 levels averaged only 113, compared with 117 for staff at the D-1 and D-2 levels, UNISERV proposed that the margin should be harmonized at a single level of at least 114.3 for all grades, with a view to reaching 115 in the short term. Lastly, UNISERV welcomed the review of the mobility and hardship scheme in 2010 and looked forward to continued participation in the ICSC tripartite working group on the classification of duty stations according to conditions of life and work.

34. **Mr. Elhag** (Sudan), speaking on behalf of the Group of 77 and China, reaffirmed its support for ICSC and stressed the importance of providing recognition to all staff members serving in the United Nations common system. Most staff wanted to work for the Organization because they believed in its goals and objectives, and the Member States had a responsibility to provide them with a respectable remuneration package, accompanied by sufficient incentives, in order for them to work effectively amid ongoing challenges. The Group fully supported the Commission's recommendation to introduce end-of-service severance pay for fixed-term staff separating from the Organization upon expiration of contract after 10 years or more of continuous service, since that was a way of recognizing the many years of excellent service they had given to the Organization.

35. **Mr. Råsbrant** (Sweden), speaking on behalf of the European Union; the candidate countries Croatia and the former Yugoslav Republic of Macedonia; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, Liechtenstein, Republic of Moldova and Ukraine, said that the Commission made an invaluable contribution to the effective functioning of the common system. The European Union noted the programme of work of ICSC for 2010-2011, as well as the decisions and recommendations contained in its report (A/64/30). With regard to the review of separation payments, including termination indemnity, repatriation grants and death grants, it supported efforts to streamline those practices within the common system. It would carefully examine the recommendation to introduce end-of-service severance pay for fixed-term staff, and its administrative and financial implications, in the light of the ongoing implementation of the new contractual framework and the overall economic situation.

36. **Mr. Kanamori** (Japan) said that, in line with the usual practice, the ICSC recommendations on basic salary levels for the Professional and higher categories should be approved without change. Recalling the General Assembly's decision, in its resolution 63/250, that there should be no expectations, legal or otherwise, of renewal or conversion of a fixed-term contract, irrespective of the length of service, he said that his delegation did not accept the Commission's recommendation to introduce end-of-service severance pay for fixed-term staff separating after 10 or more years of service, considering that none of the reasons given in its report constituted valid grounds for such a measure.

37. With regard to the problem of achieving gender balance, his delegation concurred with the Commission regarding the importance of targeted outreach efforts to attract qualified women for all levels of post and encouraged it to take further action in that area. Bearing in mind that gender parity had been attained at the P-1 and P-2 levels, as indicated in the latest report of the Secretary-General on the composition of the Secretariat (A/64/352), and taking into account the general practice among international organizations of giving internal candidates priority over external candidates, the staff selection system needed to be re-examined in order to achieve the goal of gender parity. He hoped that the Commission would take up the challenge of conducting such a review as early as its next session.

38. Firmly believing that a geographically diverse staff could enhance the Organization's ability to address a wide variety of problems, his delegation was concerned that ICSC continued to give scant attention to the enduring problem of geographical distribution. It urged the Commission to place that issue on its agenda, with a view to recommending appropriate measures to

improve the situation, and stood ready to provide all possible assistance in that regard.

39. **Mr. Chen** (United States of America) expressed concern at the Commission's recommendation that the General Assembly should introduce end-of-service severance pay for fixed-term staff separating from a common system organization upon expiration of contract after 10 or more years of continuous service, since his delegation believed that the legal obligations of the United Nations to individual staff members ended with the expiry of their contract. Furthermore, any payment that compensated staff members for the non-renewal of their contracts violated the principle that there should be no expectations of renewal or conversion of a fixed-term contract, as clearly stated in General Assembly resolution 63/250. With regard to termination indemnity, the amount paid must be tied to the unexpired portion of fixed-term contracts, since the purpose of severance pay was to compensate staff members for the loss of expectation of employment. Payment based on any other criteria, such as length of service, changed the purpose of the indemnity from compensation for curtailed service to compensation for non-renewal.

40. While certain benefits were necessary in order to attract and retain highly qualified and dedicated staff members, those benefits must be conceptually sound and fiscally responsible, particularly in view of current fiscal pressures. Staff costs already accounted for a large percentage of expenditure under the biennial budget.

41. **Ms. He** Yi (China) said her delegation was concerned about the possibility of a change in the mandatory age of separation. While such a change would bring some advantages in terms of maintaining the stability of staff, it could negatively affect new recruitment, the competitiveness of Secretariat staff and, in some cases, the quality of work performed. It was important to take all factors into account and not implement any hasty changes.

42. It was gratifying that many common system organizations had incorporated the standards of conduct for the international civil service into their rules and regulations. Updates to the standards should be coordinated by the Ethics Committee and should be consistent with the code of ethics. With regard to the issue of gender balance, her delegation appreciated the efforts of ICSC to improve the representation of women in the common system organizations. Those organizations should establish management, monitoring and incentive mechanisms and incorporate gender balance objectives in the performance evaluation of managerial staff.

43. The decision by CEB to discontinue work on the Senior Management Network was regrettable, since the strategic leadership development proposed by the Network had been conducive to promoting the professional management of the common system organizations. Efforts to build leadership capacity should continue to be strengthened and given adequate attention in the common system despite the demise of the Network.

44. **Mr. Chumakov** (Russian Federation) said that his delegation noted the Commission's intention to turn itself into a more up-to-date personnel-management tool in the service of the Member States acting as a partner of the organizations of the United Nations system.

45. Trilateralism had become a stronger element of the Commission's work in recent years, especially through the enhanced influence of the trilateral working groups on decision-making. In those groups and in the Commission itself the views of the Administration should be given due but not decisive weight, and the principles of the trilateral consultative process should be strictly adhered to: the Commission's decisions must be taken exclusively by its members.

46. His delegation attached great importance to the Commission's central role in regulating and maintaining the integrity and development of the common system of salaries, allowances and conditions of service. It was also important not only to ensure the economical functioning of the organizations of the system but also to prevent competition among them. One crucial matter was the mandatory age of separation. The majority of the Commission's members had not objected to raising the age to 62 years in order to equalize the rights of staff members recruited before and after 1990, but opinions had differed on a further increase to 65 years, and the Commission had not made any recommendations at the present stage. It must not be forgotten that any change might have implications for geographical distribution, gender balance, rejuvenation of the workforce, and career development, as well as giving rise to a number of problems

connected with the management of the final stages of service. The findings of the forthcoming actuarial review of the Joint Staff Pension Fund would also have to be considered.

47. Careful consideration must be given to the question of the payment of an end-of-service grant, and its introduction should meanwhile be deferred. Such a grant should be regarded not as satisfaction of career expectations but as job-search assistance for separated staff members who had been absent from the labour market for a long time. It should also increase the attractiveness of short-term contracts and thus enhance flexibility in the management of the workforce.

48. **Mr. Simpson** (New Zealand), speaking also on behalf of Australia and Canada, said that the three delegations appreciated the Commission's valuable contribution to ensuring the quality and consistency of employment policies and practices across the common system. In particular, they welcomed its role in discussions on possible changes to the mandatory age of separation and its work on the standards of conduct for the international civil service. With regard to its recommendation regarding the introduction of end-of-service severance pay for fixed-term staff, they noted some differences of opinion among the Commission's members and would be seeking assurances that the proposal was underpinned by clear justifications, sound analysis and a robust business case, since the creation of new entitlements entailing significant ongoing financial obligations should always be approached with caution. With agreement still pending in some key areas relating to the implementation of the new contractual framework, including some aspects with implications for the future role of fixed-term and continuing contracts within the Organization, it might currently prove challenging to reach firm conclusions on the necessity and cost of the proposal.

49. **Mr. Muhith** (Bangladesh) said that, while his delegation found the rationale for the proposed introduction of end-of-service severance pay to be quite reasonable, it was concerned at the assertion by ICSC that severance pay would reflect the realities of the international civil service where, for budgetary or other reasons, governing bodies could impose limitations on the use of continuing appointments, not necessarily related to the continuity of functions performed by the affected staff. He wished to know what those realities were and why ICSC presumed that governing bodies could impose future limitations on the use of continuing appointments, when the Committee had yet to decide on that issue.

50. **Ms. Berlanga** (Mexico) said, in view of the current economic crisis, that her delegation would carefully consider the proposal to introduce end-of-service severance pay for fixed-term staff. The Commission's arguments in favour of the proposal were not sufficiently convincing, particularly given the General Assembly's decision that there should be no expectations, legal or otherwise, of renewal or conversion of a fixed-term contract. It would be difficult in the time available to give adequate consideration to the financial implications of such a proposal, introduced so shortly after the reform of the human resources management system.

51. **Mr. Stöckl** (Vice-Chairman of the International Civil Service Commission), responding to the question raised by the representative of Bangladesh, said that several organizations within the common system had never used permanent contracts and had indicated that they would be reluctant to use continuing appointments, for a number of reasons. It was also important to recall that the General Assembly had decided to impose certain restrictions on the granting of permanent contracts. It was therefore the Commission's view that each organization must decide on its own use of continuing appointments; neither ICSC nor the General Assembly could take a decision for the whole system.

The meeting rose at 11.50 a.m.